

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN JOSE DIVISION

VICTORIA RYAN,) Case No.: C-06-4812 PVT
Plaintiff,)
v.) **ORDER GRANTING IN PART AND
EDITIONS LIMITED WEST, INC. ET AL,) DENYING IN PART MOTION TO
Defendants.) COMPEL DISCOVERY**

I. INTRODUCTION AND FACTUAL BACKGROUND

Plaintiff Victoria Ryan (“Ryan”) is an artist working in pastel on paper.¹ Defendant Editions Limited West, Inc. (“Editions”) is a publisher of art posters and is authorized to publish certain posters of Ms. Ryan’s pastels. Ryan asserts that Editions has improperly withheld royalties and supplied posters for the production of unauthorized reproductions of her works. Defendant ArtSelect, Inc. (“ArtSelect”), is a retailer of posters, frames, canvas transfers, and canvas prints. Ryan claims that ArtSelect has produced unauthorized canvas transfers from her posters.

On November 30, 2006, Editions filed a Counterclaim for defamation against Ryan. The Counterclaim alleges that Ryan made statements to numerous artists that Editions was

¹ The holding of this court is limited to the facts and the particular circumstances underlying the present motion.

1 cheating them out of royalties and licensing their work without their consent. On October 10,
 2 2006, Ryan filed a special motion under California's Anti-Slapp Statute to strike the defamation
 3 counterclaim. On December 14, 2006, this Court denied the motion, finding that Editions was
 4 entitled to take discovery before the claim could be dismissed. Ryan filed an appeal with the
 5 Ninth Circuit of the Denial of the Motion to Strike. On December 27, 2006, after the appeal
 6 was filed, Editions sought to dismiss the counterclaim. Ryan successfully objected, claiming
 7 that the court was without jurisdiction to grant dismissal because the issue was currently on
 8 appeal with the Ninth Circuit. Thus, Ryan blocked Editions' attempt to dismiss the
 9 Counterclaim.

10 On July 13, 2007, Ryan filed a motion to compel discovery. The motion came on for
 11 hearing on July 31, 2007. Based on the arguments in the brief and at the hearing, the motion to
 12 compel discovery is Granted in Part and Denied in Part as follows.

13 **II. DISCUSSION**

14 **A. Legal Standards**

15 The Federal Rules of Civil Procedure allow broad discovery:

16 Parties may obtain discovery regarding any matter, not privileged, that is relevant
 17 to the claim or defense of any party, including the existence, description, nature,
 18 custody, condition, and location of any books, documents, or other tangible things
 19 and the identity and location of persons having knowledge of any discoverable
 matter. For good cause, the court may order discovery of any matter relevant to
 the subject matter involved in the action.

20 Fed. R. Civ. P. 26(b)(1). The scope of discovery, however, is not unlimited. The discovery must
 21 either be relevant to the claims and defenses or a party must show good cause to take discovery
 22 relevant to the subject matter involved in the action. Additionally, the Court "must limit"
 23 discovery when

24 the burden or expense of the proposed discovery outweighs its likely benefit,
 25 considering the needs of the case, the amount in controversy, the parties'
 26 resources, the importance of the issues at stake in the action, and the importance
 of the discovery in resolving the issues.

27 Fed. R. Civ. P. 26(b)(2)(C)(iii).

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1 **B. Discovery Sought**

2 Plaintiff is seeking to compel production of all documents relating to:

- 3 1. Authorization to use of any posters for any use other than sale of the
4 poster (by any artist) (RFP #1)
- 5 2. All catalogs, databases, lists of artists or posters provided to any retailer
6 that frames, mounts or transfers images (RFP #2)
- 7 3. Communications with retailers about Ryan works (RFP #3)
- 8 4. All articles or Legal opinions as to how a publisher might be liable for
9 activities of retailers that infringe (Editions #5)
- 10 5. Licenses and Authorizations to use copyrighted matter for use other than
11 posters (Edition #6.)
- 12 6. Communications about canvas transfers (Editions #7 ArtSelect #5)
- 13 7. Royalties (Editions #8, Artslect #6)
- 14 8. Policy documents (documents about whether authorization is needed)
15 (Editions #9, ArtSelect # 7) and
- 16 9. Communications about Plaintiff (Editions #10, ArtSelect #8)

17 Defendants claim that all documents that relate to Ryan have been produced and all
18 documents that do not relate to Ryan are irrelevant.

19 **C. Asserted Relevance**

20 For almost every document request, Ryan claims that the documents sought are relevant
21 to: “Ms. Ryan’s claim of slander of title; Her allegation that the defendants maintain inadequate
22 policies against infringement; and Her truth defense to Editions Limited’s counterclaim for
23 defamation.” For a couple of the requests, Ryan claims “The category is relevant to Ms. Ryan’s
24 claims and defenses, and is not overbroad. The communications sought are relevant to all
25 aspects of Ms. Ryan’s claims and defenses.” Ryan had failed, however, to explain how this

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1 boilerplate language demonstrates the relevance of any documents sought.²

2 **D. Documents Relating to Other Artists, Publishers, or Retailers**

3 1. No Relevance to Slander of Title Has Been Shown

4 Slander of title requires “(a) a publication (b), which is without privilege or justification
 5 and thus with malice, express or implied, and (c) is false, either knowingly so or made without
 6 regard to its truthfulness, and (d) causes direct and immediate pecuniary loss. *Howard v.*
 7 *Schaniel*, 113 Cal.App.3d 256, 263-64 (1980) (citations omitted.). Defendants argue forcefully
 8 that contracts and communications about other artists’ works are irrelevant to show a false
 9 statement about Ryan’s work. Ryan has made no showing as to why contracts, communications,
 10 or royalties relating to other artists, publishers, or retailers is relevant to show slander of title.
 11 Accordingly, these documents are not relevant within the meaning of Rule 26.³

12 2. Allegation that the Defendants Maintain
 13 Inadequate Policies Against Infringement Does Not Warrant Discovery

14 Plaintiff claims all the documents sought are relevant to her allegation that Defendants
 15 maintain inadequate policies against infringement. The allegation of inadequate policies against
 16 misappropriation is not a claim or defense in this lawsuit. The claim is copyright infringement
 17 against ArtSelect and contributory infringement against Editions. In order to show contributory
 18 infringement, Ryan must show Editions “(1) has knowledge of a third party’s infringing activity,
 19 and (2) induces, causes, or materially contributes to the infringing conduct.” *Perfect 10, Inc. v.*
 20 *Visa Intern. Service Ass’n*, --- F.3d ----, 2007 WL 1892885, (9th Cir. 2007), quoting *Ellison v.*
 21 *Robertson*, 357 F.3d 1072, 1076 (9th Cir.2004). Defendants argue that documents relating to
 22 other artists are not relevant. Ryan’s papers do not address how documents relating to the sale of

23 ² Despite Ryan’s use of boilerplate to explain the relevance of the documents sought, she also
 24 claims that Defendants’ use of boilerplate objections was improper and waived all of
 25 Defendants’ objections to producing the discovery. Ryan cites *Burlington N & S RY Co. v. U.S.*
Dist. Ct., 408 F.3d 1142 (9th Cir. 2005). That case, however, does not provide for waiver and
 26 explicitly allows the assertion of boilerplate objections.

27 ³At the hearing, Ryan argued that discovery cannot be overbroad unless Defendants show
 28 undue burden. This is not an accurate statement of the law. The proponent of the discovery
 must always show relevance. Once relevance has been established, the party opposing discovery
 may establish undue burden.

1 other artists' works are relevant to showing knowledge of, or material contribution to,
2 infringement of Ryan's works.

3 3. Truth Defense to Counterclaim Does Not Warrant Discovery

4 Ryan is seeking discovery related to Defendants' counterclaim for defamation. Ryan,
5 however, is the only impediment to Defendants' dismissal of the counterclaim. Accordingly, the
6 Court will not allow Ryan to broaden the scope of discovery by refusing to allow Defendants to
7 dismiss this counterclaim.

8 4. Legal Opinions Are Not Discoverable

9 Request number 5 to Editions sought "All articles or Legal opinions as to how a
10 publisher might be liable for activities of retailers that infringe." As Defendants have argued,
11 legal opinions are protected by the attorney client privilege and any news articles or other
12 published works would be protected by the work product immunity. Accordingly, this document
13 request is improper because it calls for only protected material. Because this document request
14 calls for privileged documents, it would be unfair to require Editions to undertake the burden of
15 listing any privileged documents on a privilege log. However, if any documents responsive to
16 any other document request have been withheld under claim of privilege, Editions and ArtSelect
17 must provide a privilege log.

18 5. Burden Outweighs Any Tangential Relevance

19 Defendants have asserted a privacy interest in their documents with other artists,
20 publishers, and retailers. Although there is no federal common law privilege akin to the right of
21 privacy, federal courts generally treat financial information as private. *Charles O. Bradley Trust*
22 v. *Zenith Capital LLC*, 2006 WL 798991 at *2 (N.D. Cal. Mar 24, 2006) ("Private financial
23 records are normally entitled to privacy protections."). "Resolution of a privacy objection or
24 request for a protective order requires a balancing of the need for the information sought against
25 the privacy right asserted." *Soto v. City of Concord*, 162 F.R.D. 603, 616 (N.D.Cal.1995).

26 Accordingly, even if Ryan had shown a limited relevance to the documents sought, any
27 tangential relevance would be outweighed by the privacy interest of the individuals and
28 businesses involved.

1 **E. Documents Relating to Ryan**

2 Although not mentioned in the motion papers, at the hearing Ryan argued that she needs
 3 to see every contract of both Defendants because she does not trust that all documents relating to
 4 her have been produced. Ryan argued at the hearing that she had recently deposed Defendant
 5 ArtSelect and “many, many” documents that had not been produced were identified. ArtSelect
 6 stated that 6 e-mails, a draft contract, and some order forms had been identified at the deposition
 7 and had already been produced to Ryan. Ryan claimed a belief that additional documents exist
 8 that have not been produced. Defendants promised to “double check” and certify that all
 9 relevant documents have been produced.

10 Ryan also argued that she has found two contracts allowing derivative works, and if she
 11 could find two, many more must exist. Defendants assert that no additional contracts exist. One
 12 problem with the document requests is that they seek all documents relating to “Ryan Works,”
 13 defined as works authored by “Ryan or any group of artists that *may* include” her. (emphasis
 14 added.) Defendants object that any group that “may” include Ryan is too broad. The Court
 15 agrees. Accordingly, the Request is modified by the Court to refer only to those documents that
 16 “include Ryan” whether by name or by listing a group to which Ryan actually belongs. In light
 17 of circumstances surrounding discovery in this case, the Court is not convinced that all
 18 documents that relate to Ryan have been produced. Accordingly, Defendants shall each produce
 19 a declaration or declarations signed under penalty of perjury by the persons detailing the search
 20 that each client representative made for any contract that names or includes Ryan. The
 21 declarations shall affirmatively state that any documents that name or include Ryan have been
 22 produced.⁴

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25 ⁴Ryan asserted at the hearing that the responses were deficient for failing to state whether
 26 Defendants would comply with the Requests. Contrary to Ryan’s assertion, the responses are
 27 clear as to the requests with which Defendants have agreed to comply. Where Defendants state
 28 “without waiving these objections” certain documents have been produced, Defendants are
 complying. Where Defendants only state objections, Defendants are stating that they will not
 comply.

III. CONCLUSION

For the foregoing reasons, It Is Hereby Ordered that:

1. Ryan's Motion is Granted in part in that Defendants Editions and ArtSelect shall each, no later than August 24, 2007, provide a Declaration or Declarations signed under penalty of perjury by the person or persons that have searched for documents relating to Ryan. Each Declaration shall set forth the efforts made to locate documents that relate to Ryan and shall affirmatively state that all documents that do relate to Ryan have been produced;
2. Ryan's Motion is also granted in part in that, no later than August 24, 2007, Defendants shall provide either a privilege log in compliance with Rule 26(b)(5) or a statement that no documents were withheld under claim of privilege. Editions need not include documents that would have been withheld in response to Request Number 5 to Editions; and
3. Ryan's Motion is Denied in all other respects.

IT IS SO ORDERED.

Dated: August 14, 2007

Patricia V. Franklin

PATRICIA V. TRUMBULL
United States Magistrate Judge